

**Remarks**

The Office Action mailed February 15, 2005 and made final, and the Advisory Action mailed July 1, 2005 have been carefully reviewed and the foregoing amendment has been made in consequence thereof.

Claims 1-4, 6-11, 13-16, and 18-27 are pending in this application. Claims 1-4, 6-11, 13-16, and 18-27 stand rejected.

In accordance with 37 C.F.R. 1.136(a), a three month extension of time is submitted herewith to extend the due date of the response to the Office Action dated February 15, 2005 and made final and the Advisory Action dated July 1, 2005 for the above-identified patent application from May 15, 2005, through and including August 15, 2005. An extension of one month has already been secured. The fee paid therefore of \$120.00 is deducted from the total fee due for the total months of extension now requested. In accordance with 37 C.F.R. 1.17(a)(3), authorization to charge a deposit account in the amount of \$900.00 to cover this extension of time request also is submitted herewith.

As an initial matter, Applicants gratefully acknowledge the withdrawal of the rejection of Claims 1-4, 6-11, 13-16, and 18-27 under 35 U.S.C. § 112, first paragraph. However, in the Office Action the Examiner states that she is “interpreting the language ‘using the targeting engine to determine a sequential order for combining the models to define the target group’ and ‘determine a sequential order for combining said models to define the target group’ to mean that the targeting engine is using a predetermined sequential order to combine the models, as stated in the Applicant’s arguments.”

Applicants respectfully submit that Applicants have not argued that the claimed targeting engine uses a predetermined sequential order to combine the models, as suggested by the Examiner. Rather, Applicants have argued that the specification of the present patent application, including the figures, clearly describes that the claimed targeting engine determines

a sequential order for combining the models, rather than the targeting using a predetermined sequential order for combining the models. Indeed, for example, the method of Claim 1 recites “using the targeting engine to determine a sequential order for combining a plurality of models...wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline.” At page 13 of the Amendment filed on December 17, 2004, Applicants argue that “Applicants submit that the specification, including the figures, clearly describes using the targeting engine to determine a sequential order for combining the models to define the target group.” Moreover, on page 14 Applicants state that “Applicants submit that one skilled in the relevant art would understand that the targeting engine must combine the models in a specific sequential order to maximize the number of customers within the profitability section of the target group, and thus, the specific sequential order must be determined to operate the targeting engine as described herein.”

Accordingly, for at least the reasons set forth above, Applicants submit that the specification, including the figures, clearly describes using the targeting engine to determine a sequential order for combining a plurality of models, and the claims of the present patent application should therefore be interpreted accordingly.

The rejection of Claims 1-4, 6-11, 13-16, and 18-27 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,321,206 (Honarvar) in view of Strategic Database Marketing (1996) (Jackson) is respectfully traversed.

Applicants respectfully submit that neither Honarvar nor Jackson, considered alone or in combination, describe or suggest the claimed invention. As discussed below, at least one of the differences between Honarvar and/or Jackson and the present invention is that neither Honarvar nor Jackson, considered alone or in combination, describe or suggest using a targeting engine to determine a sequential order for combining a plurality of models embedded within and executed by the targeting engine, much less wherein the determined sequential order maximizes a number of customers included between a high profit end and a profitability baseline. Rather, Honarvar

describes a software based decision management system wherein a sequence of processes, or function sets, are executed in a *predefined order* upon the occurrence of an inbound event. Moreover, and in contrast to the present invention, Honarvar describes evaluating different function sets within a predefined sequence of a plurality of function sets to move customers from a high risk category to medium and low risk categories. Jackson does not make up for the deficiencies of Honarvar. Rather, although Jackson describes using two complimentary models, the discussion in Jackson of using a primary model to predict profitability and another related model to determine bad debt does not describe or suggest determining a sequential order for combining models.

Honarvar describes a software-based decision management system that allows an organization to monitor and evaluate client performance data relating to client interactions with the organization, and to appropriately modify organizational strategies in accordance with the performance data. More specifically, the system (a) applies different strategies to different categories of clients of the organization, (b) tracks the performance of the clients as a result of the applied strategies, and (c) refines the applied strategies based on the tracked performance to increase client value over time to the organization. For example, in one embodiment clients are assigned into categories and test groups to define a data structure conceptually representable as a matrix. The matrix has first and second axes with the categories on the first axis and the test groups on the second axis. The intersection of each category and test group in the matrix defines a test cell. Different strategies are applied to clients within different test cells. The movement of clients is tracked between categories as a result of the applied strategies, which are then refined based on the tracked movement.

Jackson generally describes a business-based approach to strategic database marketing, wherein historical data collected by a marketer is stored in historical data management databases such that the historical data can be later used by the marketer. (See pages 27-28.) Jackson also describes a recency, frequency, and monetary (RFM) analysis that allows a marketer to identify a business' "best customers" based upon the frequency and sales dollars that the customers have

spent with the business. The RFM data can also be used to create a lifetime value model of customers, which can project the value of a customer over a period of years. (See pages 40-41.) Jackson further describes using multiple models so that a marketer can determine the most desirable segments upon which to focus the allocation of marketing resources. (See pages 184-185.) The database-driven marketing programs enable a business to target a specific product to the correct consumer in order to make a sale. (See page 39.)

Claim 1 recites a method for increasing the efficiency of marketing campaigns using a targeting engine for analyzing data input and generating data output, wherein the method includes “using the targeting engine to determine a sequential order for combining a plurality of models embedded within and executed by the targeting engine to define a target group, wherein each model is a predicted customer profile based on historical data and each model is a statistical analysis for predicting a behavior of a prospective customer, wherein the plurality of models include risk models and marketing models, and wherein a risk model predicts a likelihood of whether the prospective customer will at least one of pay on time, be delinquent with a payment, and declare bankruptcy, and the marketing models include a net present value/profitability model, a prospect pool model, a net conversion model, an attrition model, a response model, a revolver model, a balance transfer model, and a reactivation model...combining the plurality of models in the determined sequential order to determine an initial customer group for defining the target group, wherein the initial customer group includes a list of customers satisfying each of the combined models and rank ordered by projected profitability, projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer, and the list includes a high profit end, a moderate profit section, and a low profit end, wherein the high profit end includes customers having a highest projected profitability, the low profit end includes customers having a lowest projected profitability, and the moderate profit section includes a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, and wherein the target group includes the customers included between the high profit end of the list and the profitability baseline...using the targeting

engine to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer equal to zero...and directing the marketing campaign towards the target group determined by the plurality of models.”

Neither Honarvar nor Jackson, considered alone or in combination, describe or suggest the method recited in Claim 1. For example, neither Honarvar nor Jackson, considered alone or in combination, describe or suggest a method including using a targeting engine to determine a sequential order for combining a plurality of models embedded within and executed by the targeting engine, as recited in Claim 1. Rather, Honarvar describes a software based decision management system wherein a sequence of processes, or function sets, are executed in a *predefined order* upon the occurrence of an inbound event. For example, at col. 3, lines 62-65, Honarvar describes that the sequence of processes “is predefined by a strategy analyst”, and at col. 9, lines 9-13, that function sets are “executed in a user-defined order.” Jackson does not make up for the deficiencies of Honarvar. Rather, although Jackson describes, at page 184, using two complimentary models, the discussion in Jackson of using a primary model to predict profitability and another related model to determine bad debt does not describe or suggest determining a sequential order for combining models. Additionally, although Jackson describes a process wherein predictors are weighted, the sequential order of asking the predictor questions or adding the predictor scores is not determined and does not effect the final results. Accordingly, for at least the reasons set forth above, Applicants respectfully submit that neither Honarvar nor Jackson describe or suggest a method including using a targeting engine to determine a sequential order for combining a plurality of models embedded within and executed by the targeting engine, as recited in Claim 1. Because neither Honarvar nor Jackson describe or suggest one or more of the claimed elements, it follows that a combination of Honarvar and Jackson cannot describe or suggest such elements.

Moreover, and for example, neither Honarvar nor Jackson, considered alone or in combination, describe or suggest a method including using a targeting engine to determine a sequential order for combining a plurality of models, wherein the determined sequential order

maximizes a number of customers included between a high profit end and a profitability baseline, as recited in Claim 1. Although the Office Action asserts at page 4 that “[t]he ordering of customers includes a high, middle, and low end, and wherein the system tries to maximize the persons with the most likelihood of a profitable return”, Applicants respectfully disagree that Honarvar describes determining a sequential order for combining models that maximizes a number of customers included between a high profit end and a profitability baseline. Rather, in contrast to the present invention, Honarvar describes evaluating different function sets within a predefined sequence of a plurality of function sets to move customers from a high risk category to medium and low risk categories. Jackson does not make up for the deficiencies of Honarvar. Rather, although Jackson describes using two complimentary models, Jackson does not describe or suggest determining a sequential order for combining models, much less wherein the determined sequential order maximizes a number of customers included between a high profit end and a profitability baseline, as recited in Claim 1. Because neither Honarvar nor Jackson describe or suggest one or more of the claimed elements, it follows that a combination of Honarvar and Jackson cannot describe or suggest such elements.

Furthermore, neither Honarvar nor Jackson, considered alone or in combination, describe or suggest using a targeting engine to determine a sequential order for combining a plurality of models, wherein the plurality of models include risk models and marketing models, and wherein *the marketing models include a net present value/profitability model, a prospect pool model, a net conversion model, an attrition model, a response model, a revolver model, a balance transfer model, and a reactivation model.* (Emphasis added.)

For at least the reasons set forth above, Claim 1 is submitted to be patentable over Honarvar in view of Jackson.

Claims 2-4, 6-10, 22, 24, and 25 depend, directly or indirectly, from independent Claim 1. When the recitations of Claims 2-4, 6-10, 22, 24, and 25 are considered in combination with

the recitations of Claim 1, Applicants submit that dependent Claims 2-4, 6-10, 22, 24, and 25 likewise are patentable over Honarvar in view of Jackson.

Claim 11 recites a system configured to increase efficiency of marketing campaigns that includes “a customer database which includes customer demographics and historical data...a targeting engine for analyzing data input and generating data output, said targeting engine having a plurality of models stored thereon wherein each model is a predicted customer profile based on said historical data and each model is a statistical analysis for predicting a behavior of a prospective customer, wherein the plurality of models include risk models and marketing models, and wherein a risk model predicts a likelihood of whether the prospective customer will at least one of pay on time, be delinquent with a payment, and declare bankruptcy, and the marketing models include a net present value/profitability model, a prospect pool model, a net conversion model, an attrition model, a response model, a revolver model, a balance transfer model, and a reactivation model, said targeting engine configured to access said historical data, determine a sequential order for combining said plurality of models to define a target group, and combine said plurality of models in the determined sequential order to determine an initial customer group for defining the target group, wherein the initial customer group includes a list of customers satisfying each of said combined models and rank ordered by projected profitability, projected profitability is based on at least one of a probable response by a customer to the marketing campaign, attrition of the customer, and risk associated with the customer, and the list includes a high profit end, a moderate profit section, and a low profit end, wherein the high profit end includes customers having a highest projected profitability, the low profit end includes customers having a lowest projected profitability, and the moderate profit section includes a profitability baseline, wherein the determined sequential order maximizes a number of customers included between the high profit end and the profitability baseline, and wherein the target group includes the customers included between the high profit end of the list and the profitability baseline, said targeting engine further configured to determine the profitability baseline for the marketing campaign wherein the profitability baseline defines marginal returns for a customer

equal to zero...and a graphical user interface for accessing customer database and displaying data output including the target group.”

Neither Honarvar nor Jackson, considered alone or in combination, describe or suggest the system recited in Claim 11. For example, as discussed above neither Honarvar nor Jackson, considered alone or in combination, describe or suggest a targeting engine configured to determine a sequential order for combining a plurality of models, as recited in Claim 11. Rather, Honarvar describes a software based decision management system wherein a sequence of processes, or function sets, are executed in a *predefined order* upon the occurrence of an inbound event. Jackson does not make up for the deficiencies of Honarvar. Rather, although Jackson describe using two complimentary models, the discussion in Jackson of using a primary model to predict profitability and another related model to determine bad debt does not describe or suggest determining a sequential order for combining models. Because neither Honarvar nor Jackson describe or suggest one or more of the claimed elements, it follows that a combination of Honarvar and Jackson cannot describe or suggest such elements.

Moreover, and for example, as discussed above neither Honarvar nor Jackson, considered alone or in combination, describe or suggest a targeting engine configured to determine a sequential order for combining a plurality of models, wherein the determined sequential order maximizes a number of customers included between a high profit end and a profitability baseline, as recited in Claim 11. Although the Office Action asserts at page 4 that “[t]he ordering of customers includes a high, middle, and low end, and wherein the system tries to maximize the persons with the most likelihood of a profitable return”, Applicants respectfully disagree that Honarvar describes a targeting engine configured to determine a sequential order for combining models that maximizes a number of customers included between a high profit end and a profitability baseline. Rather, in contrast to the present invention, Honarvar describes evaluating different function sets within a predefined sequence of a plurality of function sets to move customers from a high risk category to medium and low risk categories. Jackson does not make up for the deficiencies of Honarvar. Because neither Honarvar nor Jackson describe or



suggest one or more of the claimed elements, it follows that a combination of Honarvar and Jackson cannot describe or suggest such elements.

Furthermore, neither Honarvar nor Jackson, considered alone or in combination, describe or suggest a targeting engine having a plurality of models stored thereon, wherein the plurality of models include risk models and marketing models, and wherein *the marketing models include a net present value/profitability model, a prospect pool model, a net conversion model, an attrition model, a response model, a revolver model, a balance transfer model, and a reactivation model.* (Emphasis added.)

For at least the reasons set forth above, Claim 11 is submitted to be patentable over Honarvar in view of Jackson.

Claims 13-16, 18-21, 23, 26 and 27 depend, directly or indirectly, from independent Claim 11. When the recitations of Claims 13-16, 18-21, 23, 26 and 27 are considered in combination with the recitations of Claim 11, Applicants submit that dependent Claims 13-16, 18-21, 23 26 and 27 likewise are patentable over Honarvar in view of Jackson.

For at least the reasons set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claims 1-4, 6-11, 13-16, 18-27 be withdrawn.

Notwithstanding the above, the rejection of Claims 1-4, 6-11, 13-16, and 18-27 under 35 U.S.C. § 103(a) as being unpatentable over Honarvar in view of Jackson is further traversed on the grounds that these Section 103 rejections of the presently pending claims are not proper rejections.

Obviousness cannot be established by merely suggesting that it would have been obvious to one of ordinary skill in the art to modify Honarvar using the teachings of Jackson. More specifically, as is well established, obviousness cannot be established by combining the teachings of the cited art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combination. Neither Honarvar nor Jackson describe or suggest the claimed

combination. Furthermore, in contrast to the assertion within the Office Action, Applicants respectfully submit that it would not be obvious to one skilled in the art to combine Honarvar with Jackson because there is no motivation to combine the references suggested in the art. Rather, the Examiner has not pointed to any prior art that teaches or suggests to combine the disclosures, other than Applicants' own teaching.

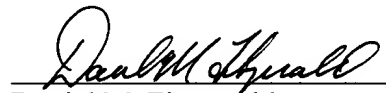
As the Federal Circuit has recognized, obviousness is not established merely by combining references having different individual elements of pending claims. Ex parte Levensgood, 28 U.S.P.Q.2d 1300 (Bd. Pat. App. & Inter. 1993). MPEP 2143.01. Rather, there must be some suggestion, outside of Applicants' disclosure, in the prior art to combine such references, and a reasonable expectation of success must be both found in the prior art, and not based on Applicants' disclosure. In re Vaeck, 20 U.S.P.Q.2d 1436 (Fed. Cir. 1991). In the present case, neither a suggestion or motivation to combine the prior art disclosures, nor any reasonable expectation of success has been shown.

Furthermore, it is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the cited art so that the claimed invention is rendered obvious. Specifically, one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the art to deprecate the claimed invention. Further, it is impermissible to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art. The present Section 103 rejection is based on a combination of teachings selected from multiple patents in an attempt to arrive at the claimed invention. Since there is no teaching nor suggestion in the cited art for the claimed combination, the Section 103 rejection appears to be based on a hindsight reconstruction in which isolated disclosures have been picked and chosen in an attempt to deprecate the present invention. Of course, such a combination is impermissible, and for this reason alone, Applicants respectfully request that the Section 103 rejection be withdrawn.

For at least the reasons set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claims 1-4, 6-11, 13-16, and 18-27 be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in this application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Daniel M. Fitzgerald", is written over a horizontal line.

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